GOVERNMENT OF INDIA
DEFENCE
LOK SABHA

UNSTARRED QUESTION NO:3379
ANSWERED ON:05.08.2016
Private Participation in Domestic Aerospace Arena
Shirole Shri Anil

Will the Minister of DEFENCE be pleased to state:

(a) whether the Government has decided to promote private sector entry into the domestic aerospace arena through a project to supply transport aircraft to the Indian Air Force (IAF);

(b) if so, the details thereof and the reasons therefor;

(c) whether some Government agencies have objected to this move;

(d) if so, the details thereof and the steps taken by the Government to sort out the issue; and

(e) the other steps taken by the Government to replace the ageing fleet of transport aircraft of IAF?

Answer

MINISTER OF DEFENCE (SHRI MANOHAR PARRIKAR)

(a) & (b): Yes, Madam. A proposal to procure 56 transport aircraft as replacement of AVRO Aircraft through 'Buy & Make' route has been accorded Acceptance of Necessity (AoN) by the Defence Acquisition Council (DAC). The foreign Original Equipment Manufacturer (OEM) will supply 16 aircraft in flyaway condition and the balance 40 aircraft will be manufactured in India by an Indian Production Agency (IPA) from the private sector.

(c) & (d): Yes, Madam. Some representations / letters were received wherein the primary concern raised related to public sector participation in the procurement process. An Independent Committee was set up to look into the concerns raised. The report of the Independent Committee was discussed in the DAC and after obtaining opinion of the Ministry of Law, DAC accorded approval for progressing the case further.

(e) Indian Air Force has procured C-130 aircraft for transport and special operations. Letter of Acceptance has also been signed with US Government for supply of additional C-130 aircraft. Recent inductions also include C-17 heavy lift aircraft. In addition, a contract has been signed for procurement of Dornier aircraft from HAL. IAF is also upgrading its IL-76 and IL-78 fleet with new engines and avionics.

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